

HD 101 Reagan Controversy  
Peanut Butter

GOVERNMENT  
EXHIBIT

168

3:07-CR-0289-M



## **Contract With Independent Contractor**

### **1. Names**

This agreement is between The Black State Employees Association of Texas CDC, Inc., a Texas corporation (Client), and H.D. & Ola Reagan DBA as H.D.O.J. & Associates (Contractor).

### **2. Services to be Performed by Contractor**

Professional Consulting Services: Will work jointly with The Black State Employees Association of Texas CDC, Inc. (The BSEATCDC) as the Project Manager (The Homes of Pecan Grove, Dallas, Texas) in performing the role/position and duties as Community Affairs & Outreach Coordinators. Will provide daily project hospitality support services and project visits as necessary; Will provide weekly neighborhood assessments, updates and recommendations to the Project Manager regarding area neighborhood & residents support and social service needs (food, clothing, counseling, financial and inkind assistance, etc.).

### **3. Time for Performance**

Contractor will complete the performance of these services on or before February 1, 2005.

### **4. Payment**

Client will pay Contractor \$1500 per week. Client will pay Contractor according to the following schedule:

Client will pay contractor according to the following schedule: Contractor will submit an invoice to client stating total amount due. Payment invoices shall be paid in accordance with the project payment schedule.

### **5. State and Federal Taxes**

Client will not:

- withhold Social Security and Medicare taxes from Contractor's payments or make such tax payment on Contractor's behalf
- make state or federal unemployment contributions on Contractor's behalf, or
- withhold state or federal income tax from Contractor's payments.

Contractor will pay all applicable taxes related to the performance of services under this

contract. This includes income, Social Security, Medicare and self-employment taxes. Contractor will also pay all unemployment contributions related to the performance of services under this contract. Contractor will reimburse Client if Client is required to pay such taxes or unemployment contributions.

#### **6. Fringe Benefits**

Neither Contractor nor Contractor's employees are eligible to participate in any employee pension, health, vacation pay, sick pay or other fringe benefit plan of Client.

#### **7. Invoices**

Contractor will submit invoices to Client for all services performed.

#### **8. Independent Contractor Status**

The parties intend Contractor to be an independent contractor in the performance of the services. Contractor will have the right to control and determine the methods and means of performing the contractual services.

#### **9. Other Clients**

Contractor retains the right to perform services for other clients.

#### **10. Assistants**

Contractor, at Contractor's expense, may employ assistants as Contractor deems appropriate to perform the contractual services. Contractor will be responsible for paying these assistants as well as any expense attributable to them including income, Social Security and Medicare taxes, and unemployment contributions. Contractor will maintain workers' compensation insurance for all of its employees.

#### **11. Equipment and Supplies**

Contractor, at Contractor's expense, will provide all equipment, tools and supplies necessary to perform the contractual services.

#### **12. Expenses**

Contractor will be responsible for all expenses required for the performance of the contractual services.

#### **13. Disputes**

If a dispute arises, the parties will try in good faith to settle it through mediation conducted by American Arbitration Association.

The parties will share the costs of the mediator equally. Each party will cooperate fully

and fairly with the mediator and will attempt to reach a mutually satisfactory compromise to the dispute. If the dispute is not resolved within 30 days after it is referred to the mediator, either party may take the matter to court.

#### **14. Entire Agreement**

This is the entire agreement between the parties. It replaces and supersedes any and all oral agreements between the parties, as well as any prior writings.

#### **15. Successors and Assignees**

This agreement binds and benefits the heirs, successors and assignees of the parties.

#### **16. Notices**

All notices must be in writing. A notice may be delivered to a party at the address that follows a party's signature or to a new address that a party designates in writing. A notice may be delivered:

- in person
- by certified mail, or
- by overnight courier.

#### **17. Governing Law**

This agreement will be governed by and construed in accordance with the laws of the state of Texas.

#### **18. Counterparts**

The parties may sign several identical counterparts of this agreement. Any fully signed counterpart shall be treated as an original.

#### **19. Modification**

This agreement may be modified only by a writing signed by the party against whom such modification is sought to be enforced.

#### **20. Waiver**

If one party waives any term or provision of this agreement at any time, that waiver will be effective only for the specific instance and specific purpose for which the waiver was given. If either party fails to exercise or delays exercising any of its rights or remedies under this agreement, that party retains the right to enforce that term or provision at a later time.

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## 21. Severability

If any court determines that any provision of this agreement is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable and such provision shall be modified, amended or limited only to the extent necessary to render it valid and enforceable.

### CLIENT

The Black State Employees Association of Texas CDC, Inc.,  
a Texas corporation  
5801 Marvin D. Love Freeway  
Suite 202  
Dallas, Texas 75237

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Dr. Darren L. Reagan  
Chairman/CEO

### CONTRACTOR

Dated: January 16, 2005

By: Rev H.D. Lewis Ola Reagan

H.D. & Ola Reagan DBA as H.D.O.J. & Associates  
620 Regalwood  
DeSoto, Texas 75115